

STATE OF VERMONT  
PUBLIC SERVICE BOARD

Case No. 8872

Petition of Great River Hydro NE, LLC for an order (1) approving the acquisition by Great River Hydro NE of a controlling interest in TransCanada Hydro Northeast Inc. pursuant to 30 V.S.A. §107, (2) authorizing the issuance of a certificate of public good (or amendment thereof) to Great River Hydro, LLC pursuant to 30 V.S.A. §231, authorizing Great River Hydro to own and operate the existing TC HydroNE hydroelectric facilities located in Vermont, and (3) approving continued de minimis regulation under 30 V.S.A. §107 & 108

Petition of TransCanada Hydro Northeast Inc. in connection with and in support of the Petition of Great River Hydro NE, LLC

Order entered: 4/6/2017

**ORDER APPROVING ACQUISITION**

**I. INTRODUCTION**

This case involves the proposed acquisition of all equity interests in the owner (“Facilities Owner”) of hydroelectric facilities, having an aggregate nameplate capacity in excess of 530 MW, located along the Connecticut River and Deerfield River. The Facilities Owner holds a certificate of public good (“CPG”), issued pursuant to 30 V.S.A. §231 by the Vermont Public Service Board (“Board”) in Docket 7038 on March 25, 2005, to own and operate the hydro facilities located entirely or partially in Vermont (the “Vermont Hydro Facilities”).

At present, the Facilities Owner and the Vermont Hydro Facilities are indirectly owned, through subsidiaries, by TransCanada Corporation. The proposed acquirer of the Facilities Owner is Great River Hydro NE, LLC (“Great River Hydro NE”), which is an indirect subsidiary of a private investment fund that is ultimately managed and controlled by ArcLight Capital Partners, LLC (“ArcLight”).

The petitioners seek various approvals from the Board related to the proposed acquisition. The Vermont Department of Public Service (“Department”) entered into a memorandum of agreement, dated March 10, 2017, with both petitioners (the “DPS MOA”), and Island Corporation entered into a memorandum of agreement, dated February 14, 2017, with Great River Hydro NE (the “Island Corp. MOA”). All parties in this case support the petitioners’ requests for approvals as provided for in the memoranda of agreement.

In this proposal for decision (“PFD”), I recommend that the Board grant the requested approvals substantially on the terms set forth in the memoranda of agreement. Specifically, this PFD:

- finds that the proposed acquisition of the Facilities Owner will promote the public good and recommends that the Board approve the acquisition of a controlling interest in the Facilities Owner (the “Acquisition”) pursuant to 30 V.S.A. § 107;
- finds good cause pursuant to 30 V.S.A. § 231 to amend the Facilities Owner’s existing CPG in order to reflect a minor change in name that will result from the planned conversion of the Facilities Owner from a corporation to a limited liability company prior to the Acquisition;
- finds good cause pursuant to 30 V.S.A. § 231 to further amend the CPG following the Acquisition and a change in the Facilities Owner’s name to “Great River Hydro, LLC” and for the Board, upon receipt of notice of the Acquisition and name change, to issue an amended CPG (in the form attached hereto) for the ownership and operation of the Vermont Hydro Facilities;
- recommends that the Board approve *de minimis* regulation of the Facilities Owner under 30 V.S.A. §108, such that the Facilities Owner will not be required to make any filings or obtain consents from the Board for financings; and
- recommends that Board conclude that that certain passive investments by limited partners of the acquiring investment fund shall not require Board approval or filings pursuant to 30 V.S.A. §107.

## **II. PROCEDURAL HISTORY**

On November 18, 2016, Great River Hydro NE filed its petition. Included with the petition were the prefiled testimony and exhibits of Timothy M. Evans, a principal of ArcLight, and the prefiled testimony of Scott D. Hall, who will serve as the president and chief executive officer of the Facilities Owner following the Acquisition.

Also, on November 18, 2016, TransCanada Hydro Northeast Inc. filed its petition, which included the prefiled testimony of Jasmin Bertovic, a TransCanada vice president and general manager, and of Shawn Keniston, the director of external affairs and hydro relicensing for the Facilities Owner.

On February 2, 2017, a prehearing conference was held at which proceedings related to the two petitions were consolidated pursuant to Rule 42(a) of the Vermont Rules of Civil Procedure<sup>1</sup> and a schedule was discussed.

On February 3, 2017, a schedule was adopted in the Prehearing Conference Memorandum and Scheduling Order.

On February 9, 2017, Island Corporation filed a motion to intervene, which was accompanied by a memorandum of law.

On February 14, 2017, Great River Hydro NE filed a letter stating that it did not object to Island Corporation's intervention. The letter was accompanied by the Island Corp. MOA.

On February 28, 2017, Island Corporation's intervention motion was granted.

On March 10, 2017, Great River Hydro NE filed the DPS MOA, a proposed order and CPG, and a cover letter.

On March 21, 2017, the Facilities Owner filed copies of two orders of the Federal Energy Regulatory Commission ("FERC") related to the proposed Acquisition.

As set forth in the cover letter filed with the Board on March 10, 2017, all the parties to this case:

- stipulate to the admission of the petitioners' prefiled testimony and exhibits, the DPS MOA, and the Island Corp. MOA;
- waive their rights to a hearing; and

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<sup>1</sup> The Board subsequently issued an Order directing that all future filings related to either petition be made in Case 8872. Cases 8872 and 8873, Order of 2/10/17 at 2.

- waive their rights under 3 V.S.A. § 811 to file comments on the PFD provided that it is materially consistent with the parties' proposals.

Pursuant to 30 V.S.A. § 8(c), and based on the stipulated record, I present the following proposed findings of fact and conclusions of law to the Board.

### III. FINDINGS

#### *Facilities Owner and Current Controlling Entities*

1. The Facilities Owner, a Delaware corporation, was organized in 2004 for the purpose of owning and operating hydroelectric facilities in the northeastern United States and is authorized to do business in Vermont. Jasmin Bertovic for TransCanada Hydro Northeast Inc. ("Bertovic") pf. at 2.

2. The Facilities Owner holds a CPG to own and operate the Vermont Hydro Facilities that was issued by the Board in connection with the acquisition of the Vermont Hydro Facilities by the Facilities Owner in 2005 from USGen New England, Inc. ("USGen NE"). Timothy M. Evans for Great River Hydro NE ("Evans") pf. at 11; Docket 7038, *Petition of USGen New England, Inc. for authority to transfer its hydroelectric facilities located in Vermont to TransCanada Hydro Northeast, Inc and petition of TransCanada Hydro Northeast, Inc. for a certificate of public good to own and operate hydroelectric generating facilities in Vermont and for de minimis regulation*, Order and CPG of 3/25/05.

3. The Facilities Owner is currently an indirect, wholly-owned subsidiary of TransCanada Corporation and is directly owned by TransCanada Pipeline USA Ltd., a Nevada corporation ("TCPL USA"), which is a wholly-owned subsidiary of TransCanada Pipelines Limited. Bertovic pf. at 3.

#### *Hydroelectric Facilities of the Facilities Owner*

4. The Vermont Hydro Facilities are located along the Connecticut River in New Hampshire and Vermont (the "Connecticut River System") and the Deerfield River in Massachusetts and Vermont (the "Deerfield River System"). Evans pf. at 2.

5. The Connecticut River System consists of four conventional hydroelectric projects licensed by the Federal Energy Regulatory Commission ("FERC"):

**Fifteen Mile Falls Project, FERC License No. 2077.** The Fifteen Mile Falls Project consists of the Moore, Comerford, and McIndoes developments located on the

Connecticut River. All are conventional hydroelectric facilities, virtually all of which are located in Grafton and Coos Counties in New Hampshire, and a small portion of the facilities in Caledonia and Essex Counties in Vermont. The Moore Station (four hydroelectric generating units) has a nameplate capacity of 165.6 MW. The Comerford Station (four units) has a nameplate capacity of 168.48 MW. The McIndoes Station (four units) has a nameplate capacity of 10.56 MW.

**Bellows Falls Project, FERC License No. 1855.** The Bellows Falls Station (three units) is located on the Connecticut River in Windham and Windsor Counties in Vermont, and Cheshire and Sullivan Counties in New Hampshire. It has a nameplate capacity of 40.8 MW.

**Wilder Project, FERC License No. 1892.** The Wilder Station (three units) is located on the Connecticut River in Windsor and Orange Counties in Vermont, and Grafton County in New Hampshire. It has a nameplate capacity of 35.77 MW.

**Vernon Project, FERC License No. 1904.** The Vernon Station (ten units) is located on the Connecticut River in Windham County in Vermont and Cheshire County in New Hampshire. It has a nameplate capacity of 34.4 MW.

Evans pf. at 2-3.

6. The Deerfield River Project (FERC License No. 2323) is a conventional hydroelectric system located along the Deerfield River in Massachusetts and Vermont. Its total nameplate capacity is 78.15 MW. The project includes seven generating stations (15 units in all) as well as associated dams and reservoirs. Part of the Sherman Reservoir, Harriman and Searsburg Stations, and the Somerset and Harriman Reservoirs are located in Vermont. Harriman Station has a nameplate capacity of 33.6 MW. Searsburg Station has a nameplate capacity of 4.5 MW.

Evans pf. at 3.

7. All of the generation from the Vermont Hydro Facilities is sold into the ISO-New England markets. Shawn Keniston for TransCanada Hydro Northeast Inc. ("Keniston") pf. at 4..

8. Upon the acquisition of the Vermont Hydro Facilities in 2005, the Facilities Owner entered into large generator interconnection agreements for each of the generating stations, which establish the terms and conditions under which these stations are interconnected to the area administered by ISO New England. The interconnection agreements have been accepted by FERC. Keniston pf. at 4.

9. FERC relicensing of the Fifteen Mile Falls Project in 1997 included a settlement agreement involving 11,000 acres of conservation easements, the creation of a fund for mitigation activities, and water management undertakings. The Facilities Owner has continued to implement this settlement agreement since its acquisition of the hydro facilities in 2005 and has completed the donation of conservation easements, including the donation in 2006 of approximately 3,965 acres in the Vermont towns of Waterford, Barnet, Concord, and Lunenburg. Keniston pf. at 8; Docket No. 7038, Order of 3/25/05 at 8.

10. The FERC relicensing of the Deerfield River Project in 1994 involved a settlement agreement, which included conservation restrictions on approximately 15,000 acres in Vermont to preserve recreational opportunities on the Deerfield River. The conservation easements were fully in place at the time of the Facilities Owner's acquisition of the hydro facilities in 2005, and the Facilities Owner has completed implementation of the recreation plan described in the settlement agreement. Keniston pf. at 9-10; Docket No. 7038, Order of 3/25/05 at 8.

*Proposed Acquisition*

11. On November 1, 2016, TCPL USA and Great River Hydro NE entered into a purchase and sale agreement pursuant to which TCPL USA will sell all the equity interests in the Facilities Owner to Great River Hydro NE. Evans pf. at 5.

12. In furtherance of the Acquisition, the Facilities Owner will be converted from a corporation to a limited liability company with the name, TransCanada Hydro Northeast LLC, immediately prior to the Acquisition. Bertovic pf. at 4.

13. Following the Acquisition, the name of the Facilities Owner will be changed to Great River Hydro, LLC. Evans pf. at 5.

14. On January 10, 2017, FERC issued an order approving the acquisition under Section 203(a)(1)(A) of the Federal Power Act. *TransCanada Hydro Northeast Inc. and Great River Hydro NE, LLC*, Order Authorizing Acquisition and Disposition of Jurisdictional Facilities (1/10/17), 158 FERC ¶ 62,019.

15. On February 22, 2017, FERC issued an order approving the transfer of FERC licenses upon the conversion of the Facilities Owner from a corporation to a limited liability company prior to the Acquisition. *TransCanada Hydro Northeast Inc. and TransCanada Hydro Northeast LLC*, Order Approving Transfer of Licenses (2/22/17), 158 FERC ¶ 62,119.



*Acquiring and Controlling Entities Post-Acquisition*

16. Great River Hydro NE, a Delaware limited liability company, was organized to acquire the equity interests in the Facilities Owner. It is authorized to do business in Vermont. Evans pf. at 4.

17. Great River Hydro NE is a wholly-owned subsidiary of Great River Hydro Holdings, LLC, which is a wholly-owned subsidiary of ArcLight Energy Partners Fund VI, L.P. (“ArcLight Fund VI”). Evans pf. at 9; exh. Great River Hydro-1.

18. ArcLight Fund VI is a private investment fund which had \$5.6 billion in capital commitments at the end of 2015. ArcLight Fund VI has provided an equity commitment letter and guaranty in support of the obligation to fund the payment of the purchase price to TCPL USA at the closing of the Acquisition. Evans pf. at 9; exh. Great River Hydro-1.

19. ArcLight Fund VI is managed and controlled by its general partner, ArcLight PEF GP VI, LLC (“ArcLight GP VI”). The manager of ArcLight GP VI is ArcLight Capital Holdings, LLC, which has delegated its management responsibilities to ArcLight Capital Partners, LLC (“ArcLight”). As a result, ArcLight Fund VI and its subsidiaries are ultimately managed and controlled by ArcLight. Evans pf. at 4.

20. ArcLight was established in 2001 by co-founders Daniel R. Revers and Robb E. Turner. ArcLight is exclusively focused on the energy industry. It has invested more than \$3.1 billion in renewable power facilities, representing approximately 5,000 MW of generation. Evans pf. at 8.

21. ArcLight also has more than a decade of experience in owning and operating hydroelectric power generation facilities in New England. Since 2006, ArcLight has acquired and operated hydro facilities along the Penobscot, Union, and Androscoggin Rivers in Maine. Evans pf. at 8.

22. The President and CEO of Great River Hydro NE is Daniel R. Revers, a co-founder and partner of ArcLight. Mr. Revers, Timothy Evans, Scott Hall, and Kevin Crosby, an ArcLight executive, are the members of the board of managers of Great River Hydro NE. Evans pf. 7-8; exh. Great River Hydro-1.

23. The President and CEO of the Facilities Owner after the Acquisition will be Scott Hall, a portfolio executive of ArcLight, who has more than 27 years of experience managing

hydroelectric generating facilities and companies in the Northeast. During his career, Mr. Hall has been directly responsible for many facets of hydroelectric company operations, including employee management, environmental compliance, facility maintenance and operations, and business development activities. Mr. Hall will report to the management and board of managers of Great River Hydro NE. Evans pf. at 7.

*Operations and Activities of Facilities Owner Post-Acquisition*

24. Great River Hydro NE will continue to operate the Facilities Owner as a wholesale generator, selling the electricity produced from the generating facilities into the New England wholesale power market. Evans pf. at 9.

25. Great River Hydro NE will seek to retain all existing management and operational personnel of the Facilities Owner. It expects that most senior level management and operations personnel will accept offers of employment. Current senior level employees managing the hydro facilities will likely be designated as additional officers of the Facilities Owner. Following the Acquisition, the Facilities Owner will continue to be subject to the recently negotiated union contract. Evans pf. at 5; Hall pf. at 3.

26. The Facilities Owner will continue to be liable for the municipal tax obligations associated with the Vermont Hydro Facilities to 26 municipalities in Vermont along the Deerfield and Connecticut Rivers. Approximately \$8 million and \$8.2 million in total property taxes were paid to these municipalities in 2015 and 2016, respectively. Hall pf. at 5.

27. Great River Hydro will assume and continue to abide by all applicable federal and state permitting requirements and existing contractual commitments for the Vermont Hydro Facilities. Evans pf. at 8.

28. FERC licenses for the Wilder, Bellows Falls, and Vernon projects expire on April 30, 2019. The Facilities Owner commenced the license renewal process in 2012. After the Acquisition, the Facilities Owner will continue, and expects to complete, the FERC relicensing process currently underway at the Bellows Falls, Wilder and Vernon facilities. Kenniston pf. at 4-5; Hall pf. at 4; Evans pf. at 5 and 9.

29. Following the Acquisition, the settlement agreements for the Fifteen Miles Falls Project and the Deerfield River Project will continue as obligations of the Facilities Owner, and



the Facilities Owner will fulfill all obligations under those settlement agreements. Hall pf. at 4; *see* findings 9 and 10, above.

30. The contractual rights and obligations of the parties under the Amended and Restated Lease Indenture dated June 1, 1998 (the “Island Indenture”) will not change as a result of the Acquisition. Keniston pf. at 6-8.

31. At or shortly after closing the Acquisition, Great River Hydro NE intends to implement project-level financing. Evans pf. at 10.

32. ArcLight has significant experience financing renewable assets, including hydroelectric facilities, in both the institutional investment-grade and bank markets. Evans pf. at 10.

33. ArcLight’s financing plans will not impair the ability of the Vermont Hydro Facilities to meet applicable safety and environmental obligations. Evans pf. at 10.

34. Following the Acquisition, ArcLight Fund VI may permit certain existing limited partners to acquire indirect non-managing membership interests. These acquisitions may result in one or more transfers of a 10% or greater indirect non-managing interest in the Facilities Owner, which would be in addition to the passive interests such limited partners will hold through their ArcLight Fund VI limited partnership interests. Evans pf. at 10.

35. The membership interests that would be indirectly held by non-managing members would be passive interests that do not confer rights to control the Facilities Owner. Control will remain with ArcLight regardless of the manner in which the ArcLight Fund VI limited partners invest. Evans pf. at 10.

*Island Corp. MOA*

36. Island Corporation is the owner of real property, referred to as the Moore and Thompson Mill Complex, on Bridge Street in Bellows Falls. Island Corporation has the right to receive, and is currently provided with, up to 300 kilowatts of electricity at the Moore and Thompson Mill Complex, at no charge, under the terms of various agreements and indentures dating back to the late 19<sup>th</sup> century (collectively, the “Indentures”), including the Island Indenture. Keniston pf. at 6-8; Island Corp. MOA at 2.

37. The parties to the Island Corp. MOA agree that the Acquisition shall not alter the terms of the Indentures and that Great River Hydro LLC will assume the contractual obligations of

TC Hydro Northeast Inc. to Island Corporation set forth in the Indentures. Island Corp. MOA at 2

*DPS MOA*

38. The parties to the DPS MOA agree that the Acquisition will promote the general good of the state of Vermont and otherwise meets the criteria of 30 V.S.A. §§ 107 and 231, and ask the Board to issue an order and CPG to that effect. DPS MOA at 3.

39. The parties to the DPS MOA also agree that good cause exists to amend the existing CPG of the Facilities Owner to reflect the conversion of the Facilities Owner to a limited liability company prior to the Acquisition and the change in the Facilities Owner's name to Great River Hydro, LLC that will occur in connection with the Acquisition. Such parties also agree that the Board should approve *de minimis* regulation under 30 V.S.A. §§ 107 and 108 as set forth in the petition and testimony of Great River Hydro NE. DPS MOA at 3-4.

40. The DPS MOA also includes certain filing requirements and contains conditions that the parties to the DPS MOA agree should be included in any Order and CPG issued in this case. DPS MOA at 3-4.

#### **IV. DISCUSSION AND CONCLUSIONS**

The direct or indirect acquisition of a controlling interest in a company subject to the Board's jurisdiction generally requires the approval of the Board pursuant to 30 V.S.A. § 107 based upon a finding that such acquisition will promote the public good. The Board may amend a CPG issued under 30 V.S.A. § 231 for good cause.

The Facilities Owner operates, and will continue to operate after the Acquisition, as a wholesale generator of electricity that sells the electricity generated by its hydro facilities into the New England wholesale market. The acquirer is owned by a private investment fund and is ultimately managed and controlled by ArcLight, which has experience in the ownership and operation of hydroelectric facilities in New England.

The evidence in the record indicates that the entities acquiring a controlling interest in the Facilities Owner are financially sound, experienced in the industry, and able to provide financial support and guidance to the Facilities Owner, and that the Facilities Owner will be capable of safely and reliably operating the Vermont Hydro Facilities after the Acquisition.

All parties to this proceeding support the grant of the requested approvals by the Board. In the DPS MOA, the Department agrees that the Acquisition will promote the general good of the State of Vermont and that there is good cause for the proposed amendments to the Section 231 CPG of the Facilities Owner. I concur with the parties and recommend that the Board approve the Acquisition and the requested CPG amendments with the requirements and conditions set forth in the DPS MOA.

In its Order approving the acquisition of the hydro facilities by the Facilities Owner in 2005, the Board exempted the Facilities Owner from making financing filings under 30 V.S.A. § 108 and provided Board consent to any future financings undertaken by the Facilities Owner in connection with its ownership of the Vermont Hydro Facilities.<sup>2</sup> With the support of the Department, Great River Hydro NE seeks to continue such *de minimis* regulation of its financings after the Acquisition. I recommend that the Board grant this request because the approval of the request would continue current practice and is supported by all parties.

ArcLight envisions that certain existing limited partners of ArcLight Fund VI may be permitted to acquire indirect non-managing membership interests that could involve transfers of 10% or more of non-managing membership interests. Such indirect ownership interests in the Facilities Owner would be in addition to indirect ownership interests resulting from their limited partnership interests.

An acquisition of an equity interest requires Board approval under 30 V.S.A. § 107 if it is a controlling interest. Section 107(e)(1) defines a “controlling interest” as follows:

(1) "Controlling interest" means 10 percent or more of the outstanding voting securities of a company; or such other interest as the Public Service Board determines, upon notice and opportunity for hearing following its own investigation or a petition filed by the Department of Public Service or other interested party, to constitute the means to direct or cause the direction of the management or policies of a company. The presumption that ten percent or more of the outstanding voting securities of a company constitutes a controlling interest may be rebutted by a company under procedures established by the Board by rule.

In light of the testimony that the membership interests that may be acquired by such limited partners, as well as their existing limited partnership interests, are passive interests and do not


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<sup>2</sup> Docket 7038, Order of 3/25/05 at 11-13 and 15; Docket 7038 CPG at 2.

confer rights to control the Facilities Owner, I recommend that the Board not require Great River Hydro NE to make any filings or obtain any approvals pursuant to 30 V.S.A. § 107 with respect to such acquisitions as requested by Great River Hydro NE and provided for in the DPS MOA.<sup>3</sup>

This Proposal for Decision has not been served on the parties in light of their stipulation to waive compliance with 3 V.S.A. § 811.

Dated at Montpelier, Vermont this 6<sup>th</sup> day of April, 2017.



Lars Bang-Jensen  
Hearing Officer

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<sup>3</sup> See findings 34 and 35, above.

## V. ORDER

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED by the Vermont Public Service Board (“Board”) that:

1. The findings, conclusions, and recommendations of the Hearing Officer are hereby adopted.

2. The acquisition of a controlling interest in TransCanada Hydro Northeast Inc. (following its conversion to a limited liability company) by Great River Hydro NE, LLC (the “Acquisition”) will promote the public good and is approved pursuant to 30 V.S.A. § 107.

3. There is good cause to amend the certificate of public good (“CPG”) issued pursuant to 30 V.S.A. § 231 to TransCanada Hydro Northeast Inc. in Docket 7038 on March 25, 2005, to reflect a change in its name to TransCanada Hydro Northeast LLC following such corporation’s conversion to a limited liability company prior to the Acquisition. Accordingly, such amendment is hereby approved and shall be deemed effective as of the date of the conversion.

4. Within five business days after its conversion to a limited liability company, TC Hydro Northeast LLC shall file a letter, together with a certificate of authority issued by the Vermont Secretary of State reflecting the conversion, notifying the Board of the date of the conversion.

5. There is good cause to further amend the CPG following the closing of the Acquisition, and an amended CPG (in the form attached to this Order) is hereby approved. Such amended CPG shall be issued without further order of the Board following the Board’s receipt of notice of a change in the name of the CPG holder from TC Hydro Northeast LLC to Great River Hydro, LLC and shall be deemed effective as of the date of the name change.

6. Within ten business days after the closing of the Acquisition and the name change, Great River Hydro NE, LLC shall file a letter notifying the Board of the date of the closing and name change.

7. Any amendments of hydro licenses issued by the Federal Energy Regulatory Commission (“FERC”) for hydro facilities that are owned and operated by Great River Hydro, LLC and are located entirely or partially in Vermont (the “Vermont Hydro Facilities”) shall be filed with the Board and the Vermont Department of Public Service (“Department”).

8. Any FERC filings related to Great River Hydro, LLC's market-based rates that are subject to the FERC's jurisdiction under Section 203 of the Federal Power Act shall be filed with the Board and the Department.

9. Any filings made with respect to Great River Hydro, LLC's status as an exempt wholesale generator shall be filed with the Board and the Department.

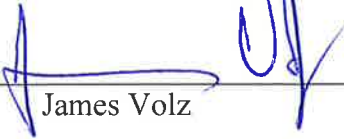


10. Great River Hydro, LLC shall comply with the Vermont Dam Safety Act, 10 V.S.A. § 1081 *et seq.*, to the extent that such requirements are not inconsistent with requirements imposed by FERC in connection with its regulation of the Vermont Hydro Facilities.

11. Great River Hydro, LLC shall not be required to make any filings with the Board or the Department or obtain additional Board approvals for financings pursuant to 30 V.S.A. § 108. To the extent required by applicable law, the Board hereby consents to and approves any financings undertaken by Great River Hydro, LLC in connection with its ownership of the Vermont Hydro Facilities.

12. Great River Hydro NE and Great River Hydro, LLC shall not be required to make any filings with the Board or the Department or receive additional Board approvals pursuant to 30 V.S.A. § 107 with respect to the investment by limited partners of ArcLight Energy Partners Fund VI, L.P in indirect non-managing membership interests that may result in one or more transfers of a 10% or greater indirect non-managing interest in Great River Hydro, LLC. To the extent required by applicable law, the Board hereby consents to and approves such investments pursuant to 30 V.S.A. § 107.

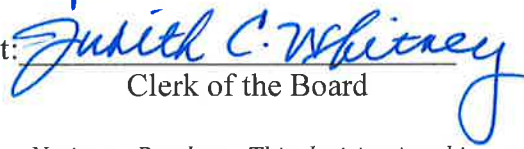


Dated at Montpelier, Vermont this 6th day of April, 2017.

	)	
James Volz	)	PUBLIC SERVICE
	)	
	)	
Margaret Cheney	)	BOARD
	)	
	)	
Sarah Hofmann	)	OF VERMONT

## OFFICE OF THE CLERK

Filed: April 6, 2017

Attest:   
Clerk of the Board

*Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) or any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@vermont.gov)*

*Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and Order.*

STATE OF VERMONT  
PUBLIC SERVICE BOARD

Case No. 8872

Petition of Great River Hydro NE, LLC for an order (1) approving the acquisition by Great River Hydro NE of a controlling interest in TransCanada Hydro Northeast Inc. pursuant to 30 V.S.A. §107, (2) authorizing the issuance of a certificate of public good (or amendment thereof) to Great River Hydro, LLC pursuant to 30 V.S.A. §231, authorizing Great River Hydro to own and operate the existing TC Hydro NE hydroelectric facilities located in Vermont, and (3) approving continued de minimis regulation under 30 V.S.A. §107 & 108

Petition of TransCanada Hydro Northeast Inc. in connection with and in support of the Petition of Great River Hydro NE, LLC

Entered:

**AMENDED CERTIFICATE OF PUBLIC GOOD ("CPG")**  
**ISSUED PURSUANT TO 30 V.S.A. SECTION 231**

IT IS HEREBY CERTIFIED that the Vermont Public Service Board ("Board") finds and adjudges that there is good cause to issue an amended Certificate of Public Good ("CPG") to Great River Hydro LLC (the "CPG Holder"). This CPG amends the CPG originally issued in Docket 7038 on March 25, 2005, to TransCanada Hydro Northeast Inc. ("TC Hydro NE Inc.") to own and operate certain hydroelectric facilities in the State of Vermont along the Connecticut River and Deerfield River, being portions of Federal Energy Regulatory Commission ("FERC") Project License Nos. 2077, 1855, 1892, 1904 and 2323 (the "Projects"), and is subject to the following conditions:

1. This amended CPG shall be deemed effective as of the date of the change of name to Great River Hydro, LLC.

2. The CPG Holder shall file with the Board and the Vermont Department of Public Service (“Department”) any amendments of hydro licenses issued by the Federal Energy Regulatory Commission (“FERC”) for the Projects.

3. The CPG Holder shall file with the Board and the Department any FERC filings related to Great River Hydro, LLC’s market-based rates that are subject to the FERC’s jurisdiction under Section 203 of the Federal Power Act.

4. The CPG Holder shall file with the Board and the Department any filings made with respect to Great River Hydro, LLC’s status as an exempt wholesale generator.

5. Great River Hydro, LLC shall comply with the Vermont Dam Safety Act, 10 V.S.A. § 1081 *et seq.*, to the extent that such requirements are not inconsistent with requirements imposed by FERC in connection with its regulation of the Vermont Hydro Facilities.

6. Great River Hydro, LLC shall not be required to make any filings with the Board or the Department or to obtain additional Board approvals for financings pursuant to 30 V.S.A. § 108.

7. Great River Hydro NE and Great River Hydro, LLC shall not be required to make any filings with the Board or the Department or receive additional Board approvals pursuant to 30 V.S.A. § 107 with respect to the investment by limited partners of ArcLight Energy Partners Fund VI, L.P in indirect non-managing membership interests that may result in one or more transfers of a 10% or greater indirect non-managing interest in Great River Hydro, LLC.

8. This CPG shall not be transferred without prior approval of the Board.

Dated at Montpelier, Vermont, this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
James Volz

) PUBLIC SERVICE  
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Margaret Cheney

) BOARD  
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Sarah Hofmann

) OF VERMONT  
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OFFICE OF THE CLERK

Filed:

Attest: \_\_\_\_\_  
Clerk of the Board

*Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: [psb.clerk@vermont.gov](mailto:psb.clerk@vermont.gov))*

PSB Case No. 8872 - SERVICE LIST

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